

**Bank of Baroda's**



**Integrate • Accelerate • Transform**

## **Integrate, Accelerate & Transform with Bank of Baroda's Supply Chain Finance**

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### **Introduction:**

Supply Chain Finance (SCF) is a Short Term Working Capital finance to DEALERS/ SUPPLIERS ("Spoke") having business relationships with LARGE CORPORATES ("Anchor") to optimise working capital requirements of both Spoke & Anchor. Supply Chain Finance is a fine blend of Bill Discounting & Overdraft product with the essence to optimize finance & flexibility for the customer. All transactions are linked to a base document (Invoice) between the Anchor & the Spoke.

### **Integrate:**

An INTEGRATED finance solution for our customer's business which ensures that dealers / suppliers and large corporates always have working capital when they need it the most.

### **Accelerate:**

Fastest & completely digital system, every feature of our product has been designed to ACCELERATE Customer's business giving it a cutting edge over others.

### **Transform:**

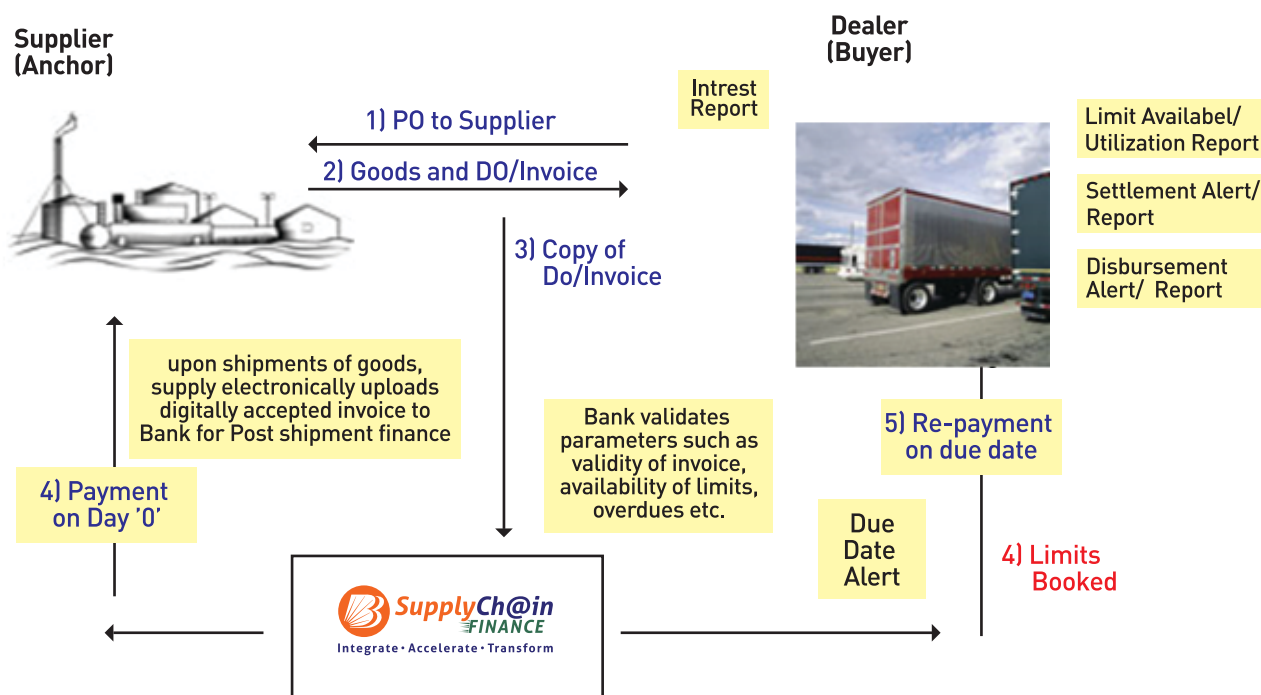
Our best in class Supply Chain Finance platform optimizes your business synergies and nurtures relationships with your Vendors & Dealers to TRANSFORM your business for the next big leap.



## OUR OFFERINGS

### Dealer Finance:

Working Capital Credit Limits for select dealers of large corporates, enabling them to avail short term financing for procurement of inventory from large corporates

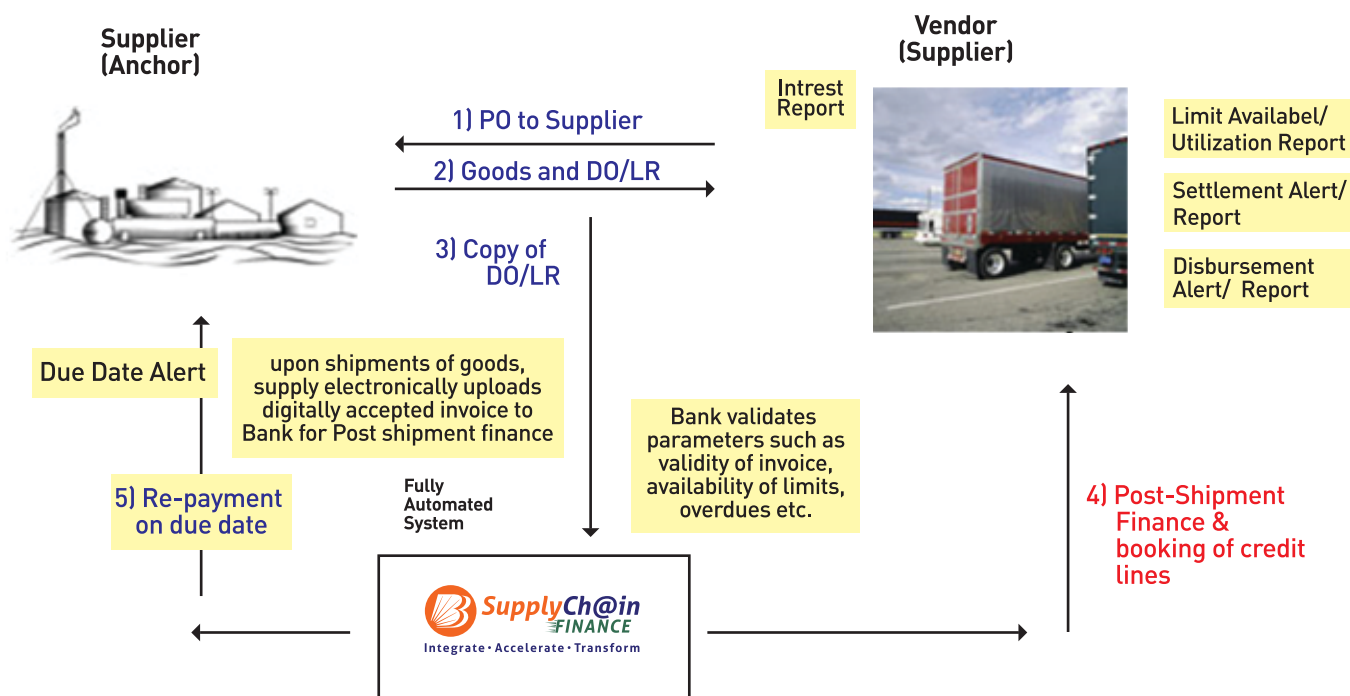


The Dealer (spoke) raises a purchase order requesting a consignment of goods and forwards it to the supplier. The Supplier (anchor) ships the goods consignment and initiates the request for finance by uploading the invoices electronically on the supply chain finance platform. Once the invoices are electronically accepted by the Dealer (spoke), validation of the transaction for parameters like availability of credit limit, validity of invoice, overdue position etc is digitally verified by the Supply Chain Finance system. On successful validation, finance is instantaneously created by the system and disbursement is credited in to the Supplier's (anchor's) account. On the due date the Dealer (Spoke) liquidates the outstanding invoice amount. The entire process is fully automated and featured with real time e-alerts and e-reports sent to the clients at each leg of the transaction.

## Vendor Finance:

Working Capital Facility for Vendors of large corporates to access quicker realization of Bills and invoices accepted by large corporates to optimize their working capital cycles.

### Vendor Finance – Work Flow of Post Shipment Financing

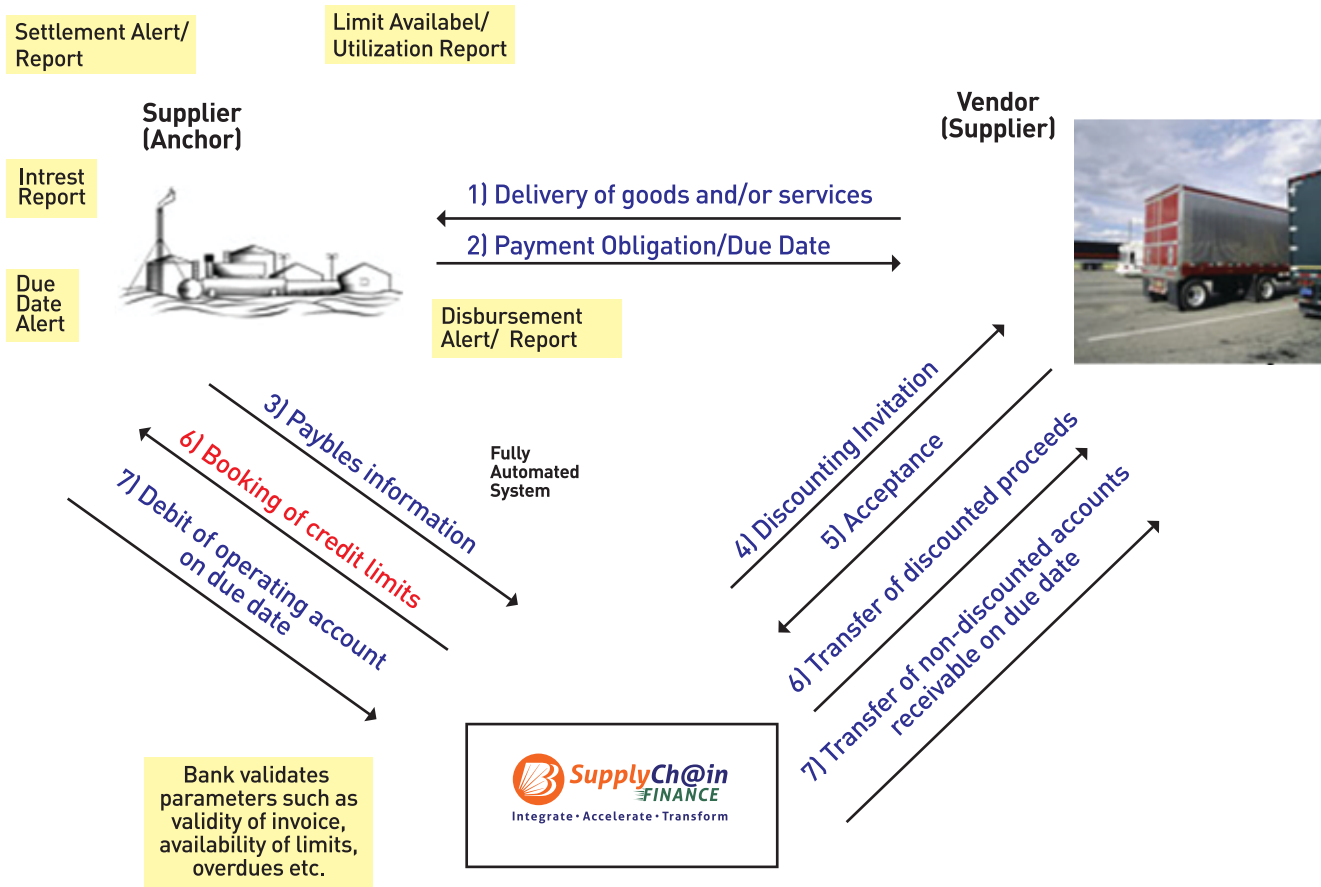


The Buyer (anchor) raises a purchase order requesting a consignment of goods and forwards it to the supplier. The Vendor (spoke) ships the goods consignment and initiates the request for finance by uploading the invoices electronically on the supply chain finance platform. Once the invoices are electronically accepted by the Buyer (anchor), validation of the transaction for parameters like availability of credit limit, validity of invoice, overdue position etc. is digitally verified by the Supply Chain Finance system. On successful validation, finance is instantaneously created by the system and disbursement is credited in to Vendor's (spoke's) account. On the due date the Vendor's (spoke's) liquidates the outstanding invoice amount. The entire process is fully automated and featured with real time e-alerts and e-reports sent to the clients at each leg of the transaction.

## Payable Finance – Workflow of Payables based solutions

### Payable Finance:

Working Capital Limits for Large Corporates to make payments to their vendors.



The Buyer (anchor) raises a purchase order requesting a consignment of goods and forwards it to the supplier. The Vendor (spoke) ships the goods consignment and initiates the request for finance by uploading the invoices electronically on the supply chain finance platform. Once the invoices are electronically accepted by the Buyer (anchor), validation of the transaction for parameters like availability of credit limit, validity of invoice, overdue position etc. is digitally verified by the Supply Chain Finance system. On successful validation, finance is instantaneously created by the system and disbursement is credited in to Vendor's (spoke's) account. On the due date the Vendor's (spoke's) liquidates the outstanding invoice amount. The entire process is fully automated and featured with real time e-alerts and e-reports sent to the clients at each leg of the transaction.

### Digitized Transaction Processing

- Seamless, integrated, digitized processing system which delivers near real time disbursements.

### Fastest Credit Approval

- Standardized fast track credit approval process with centralized approvals.

### Real Time Alerts & Reports

- Real time alerts and reports enables effective working capital management.

### Flexible Credit Limits

- Meeting the business requirements for festive sales or bulk orders with Fast Track Adhoc credit limits.

### Fully Automated Transaction Processing

- Fully automated transaction processing system enables faster disbursement. Fast transaction processing,
- Automated reconciliation with ERP system and electronic tracking of funding status.

### Competitive Pricing

- Attractive & competitive pricing for customers.



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## Advantages of Supply Chain Finance:

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### Supplier / Vendor

- Early payment reduces financial dependence on the buyer
- Reduces the cost of capital by leveraging buyer's credit rating
- Increases certainty of cash flows
- Provides post-shipment; WIP financing
- Financial discipline

### Anchor / Manufacturer

- Minimizes investment in working capital
- Reduces cost of goods sold (COGS)
- Reduces total cost of borrowing
- Automation reduces administration cost
- Increases cash flow
- Increases stability of supply chain
- Ensures availability of goods for end users
- Increases sales

### Dealer

- Provides much needed working capital for purchase of inventory
- Lower cost of funds than other working capital products
- Increases sense of financial discipline due to short duration
- Automation reduces administration cost



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